

**Tennessee Department of Human Services
Child Support Division**



**A Guide to Tennessee
Income Shares
DHS Rule Chapter 1240-2-4**

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I. Background

The Child Support Amendments of 1984 (PL 98-378), 42 U.S.C. §§ 653-669, in particular §667 and 45 C.F.R. § 302.56, are part of the federal law implementing Title IV-D of the Social Security Act which establishes the processes and procedures for the operation of a child support enforcement program in every state. These provisions require that states establish guidelines for setting child support award amounts. The Guidelines, which are rebuttable presumptions, must be applied by all persons in the state whose duty it is to set child support award amounts in all child support cases. In Tennessee, these requirements are implemented pursuant to T.C.A. §§36-5-101(e); 71-1-105(12), (16), and 71-1-132. Current Guidelines appear in Chapter 1240-2-4 of the Rules of the Tennessee Department of Human Services.

The Department of Human Services, after two years of study and public comment, has elected to implement the Income Shares model to replace the existing Flat Percentage of income model. The Department first proposed Rules for the Income Shares model, now used in over thirty (30) other states, in the filing of a Notice of Rulemaking with the Secretary of State in March 2004. The Rules upon which this Guide is based are substantially different from that initial proposal.

This Guide references Chapter 1240-2-4 of the Rules of the Department. The existing rules regarding the Flat Percentage model will be repealed and the new Income Shares Guidelines are implemented in the same Chapter. The new rules become effective on January 18, 2005. The Rules may be found at: <http://www.state.tn.us/humanserv/is/incomeshares.htm>

II. Basic Guidelines Introduction

A. Income: Reference: 1240-2-4-.04(3)

The Incomes Shares rules consider the gross income, with some exceptions, from a wide variety of sources for both parents of the child for whom support is being set instead of only considering the net income of only the obligor as the Flat Percentage guidelines do. One of the basic concepts of Income Shares is that each parent's percentage share of the combined income of the parents is used to allocate responsibility for the support obligation for basic support and for mandatory expenses. This percentage of income (PI) is obtained by dividing each parent's adjusted gross income by the total combined adjusted gross income of both parties.

B. Credits: Reference: 1240-2-4-.04(5)

Credits for pre-existing orders are still available if support under those orders is being paid. No credits will be given for payments on arrears, however. In addition, parents may be able to use credits against the gross income calculation for other children for whom they are legally responsible and for whom they are actually supporting, even if they are not under an existing support order, and even if the children do not live with the parent claiming the support credit.

C. Child Support Schedule: Reference: 1240-2-4-.09

A Child Support Schedule with pre-calculated support amounts for different numbers of children at different levels of combined parental income and with tax considerations included in the combined obligation, is used to determine the basic child support obligation before the addition of expenses for medical insurance and work-related child care, which are a required consideration in determining the amount of support if they exist, and before further adjustments for greater or less parenting time allowed by the Rules.

D. Parenting Time Adjustments: Reference: 1240-2-4-.03(6)(e)

The parent who resides more than fifty percent (50%) of the time with the child is called the “Primary Residential Parent” (PRP) instead of the “custodial parent” or “obligee”. The parent who resides less than fifty percent (50%) of the time with the child is called the “Alternate Residential Parent” (ARP) instead of the “non-custodial parent” or “obligor”. These new terms are consistent with those used in T.C.A. § 36-6-402 relative to Parenting Plans.

Although there exist as many parenting plans as there are cases, the Department has divided cases into two (2) basic types for the purposes of determining the basic child support obligation and any adjustments to the basic support obligation for variations in parenting time:

1. - “Standard” parenting, in which all of the children being supported by the order in a case reside more than fifty percent (50%) of the time with the same parent, even though the exact time the different children who are subject to the order spend with each parent may not be the same (Reference: 1240-2-4-.02(23)); and
2. - “Split” parenting, in which the case has at least two (2) children and each parent resides with at least one (1) child more than fifty percent (50%) of the time. (Reference: 1240-2-4-.02(22)).

In a standard parenting case, one parent is the PRP for all the children being supported by the order, and the other parent is the ARP for the same children. All standard parenting support obligations are calculated in the same basic manner. **Rule 1240-2-4-.02(23).**

Standard Parenting Example: Suppose there are three minor children in the case being determined. Child 1 spends 350 days a year with the primary residential parent, Child 2 spends 250 days a year with the primary residential parent, and Child 3 spends 200 days a year with the primary residential parent. All 3 children spend more than 50% of the time with the same parent; this is standard parenting. No adjustment is made to the BCSO for parenting time spent by the ARP with the children in this example.

In a split parenting case, there must be at least two children, and each parent is the PRP for at least one of those children. Under split parenting, the combined adjusted gross income and parent’s percentage of income are utilized in the standard manner, however each

parent's obligation is calculated for the number of children who spend more than fifty percent (50%) of the time **with the other parent**. **Rule 1240-2-4-.02(22) & -.08(6)c2.**

Split Parenting Example:

Mother and Father have three minor children in the case being determined. Child 1 spends 350 days a year with the Mother, Child 2 spends 150 days a year with the Mother, and Child 3 spends 200 days a year with the Mother. In this example, Mother is the PRP for Child 1 and Child 3. Father is the PRP for Child 2. This is split parenting. See, Part III of the Child Support Worksheet. Calculate each parent's adjusted gross income (AGI), percentage of income (PI), and combined AGI. To determine each parent's obligation in a split parenting case, use the combined AGI and the CS Schedule, look up Mother's obligation (i.e., the BCSO) for the one child [child #2] children in Father's care; multiply that figure times Mother's PI and enter the result on Line 7a. Using the combined AGI and the CS Schedule, look up Father's obligation for the two (2) children in Mother's care, multiply that figure times Father's PI and enter the result on Line 7b. Complete the rest of the Child Support Worksheet in the standard fashion.

E. Health Care for the Children: Reference: 1240-2-4-.03(6)(b)7; 1240-2-4-.04(8) and 1240-2-4-.04(9)

The order must provide for the health care needs of the children by insurance, if available at reasonable cost, and by division between the parties of any uninsured medical expenses.

F. Expenses: Reference: 1240-2-4-.04(8); 1240-2-4-.07(2)(d)

The Income Shares model uses actual amounts paid to include, as part of the support order, costs of the child's share of a health insurance premium and work-related childcare paid by the parents or the non-parent caretaker.

Certain other expenses such as "extraordinary educational" expenses and "special" expenses related to the child's social, cultural or athletic development may be added as deviations to further account for different expenditures among families for their children. The accounting for expenses that are specific to each family makes the child support obligation more expressly representative of the complete financial picture of the child's needs and the parent's ability to support the child.

G. Modifications: Reference: 1240-2-4-.06

A significant variance is defined as EITHER

1. a fifteen percent (15%) change in ARP's gross income; AND/OR
2. a change in the number of children who are the legal responsibility of the ARP; AND/OR
3. a child being supported becoming disabled; AND/OR
- 4.- the parties voluntarily agreeing to modify support in compliance with the Guidelines and submitting the completed worksheets with the agreed order AND
5. a fifteen percent (15%) variance between the existing order and the proposed order, unless the person seeking the modification meets the definition in the

Guidelines of “low-income,” in which case the variance is seven and one half percent (7.5%).

The criteria for a significant variance prior to January 1, 2006 are included to reduce the volume of requested modifications that may occur due to possible changes in order amounts based upon the transition from the Flat Percentage model to the Income Shares model.

However, beginning January 1, 2006 the criteria in #s 1-4 above will no longer be the definition of a significant variance and a significant variance will be defined as a fifteen percent (15%) difference between the existing order and the proposed order, unless the person seeking the modification meets the definition of “low-income” in which case the variance is seven and one half percent (7.5%).

No significant variance is required when modification is necessary to provide for the child’s medical needs.

H. Deviations: Reference: 1240-2-4-.07

A number of reasons for deviation are provided in the Guidelines, including the needs of the child and income and expenses of the parents, children in the custody of the Department of Children’s Services, parenting time-related travel expenses, extraordinary educational expenses, special expenses, extreme economic hardship, low income of the parents, statutory high income support order limit, and hardship due to the change in the model from Flat Percentage to Income Shares.

I. Order Requirements: Reference: 1240-2-4-.01(2)(c)

All orders must state a specific dollar amount of support that is to be paid by the responsible party on a weekly, bi-weekly, semi-monthly, or monthly basis. The final child support order shall not be expressed as a percentage of the parent’s income.

Agreed orders must be approved by the court after review to determine conformity with the Guidelines, or, if deviations are proposed, to review those and enter written findings in the support order stating the amount of the deviation, what the order would have been if there had been no deviations and why the deviation is appropriate for the child and the parties.

III. Calculation Tools

A. Worksheets: Reference: 1240-2-4-.08

The Income Shares rules use two (2) Worksheets to calculate the parent’s financial obligation for child support. Both parents in a case use the same Child Support Worksheet and Credit Worksheet. The use of the Worksheets promulgated by the Department is mandatory in order to ensure uniformity in the calculation of child support awards pursuant to the Rules. A completed Worksheet must be maintained as part of the official record of the tribunal either by filing them as exhibits to be kept in the tribunal’s record or as attachments to the child support order.

1. Credit Worksheet: Reference: 1240-2-4-.08(5)

The Credit Worksheet is used for determining the amount of credit a tribunal shall consider to reduce either parent's gross income to allow for the support provided to a parent's qualified other children and for recording information about the parent's qualified other children and pre-existing orders in other cases.

2. Child Support Worksheet: Reference: 1240-2-4-.08(4)

The Child Support Worksheet is used for calculating the child support obligation of both parents. The Child Support Worksheet requires information about the children for whom support is being set or modified both parents' income, the parents' pre-existing orders, and credits for other children not subject to the current order that are to be claimed by either parent. The Worksheet is used to establish the percentage of income (PI) of each parent that determines the allocation of basic support and mandatory and certain other expenses. The Worksheet also requires information about the amount of parenting time each parent has with the child in order to determine whether adjustments to support amounts should be made for greater or lesser amounts of time spent with the children, and information about deviations to be added to the presumptive child support order.

B. Child Support Schedule: Reference: 1240-2-4-.09

The Child Support Schedule ("CS Schedule" or "Schedule") is a chart which displays the Basic Child Support Obligation (BCSO) in dollar amounts which correspond to various levels of combined Adjusted Gross Income (AGI) of the children's parents and the number of children for whom a child support order is being established or modified.

A column on the left margin of the page contains various levels of the parent's monthly combined adjusted gross income in \$50.00 increments from \$150.00 to \$28,250 per month. At the top of the page moving left to right are columns headed by numbers of children to be supported in the case being determined. The cell at the intersection of the parent's income with the number of children to be supported contains the basic child support obligation (BCSO) that is entered on the Child Support Worksheet. The BCSO is the amount of support necessary to care for the child **based upon the combined income of both parents, not just the alternate residential parent (obligor)**. Each parent's share of that obligation will, in the majority of cases, be a percentage of that amount, although it could be the whole amount if the other parent is determined to have no countable income.

The obligations in the CS Schedule make certain basic assumptions about the family income. **Rule 1240-2-4-.03(6)(b)**. The BCSO is based upon the adjusted gross income of both parents. The obligation amount shown on the schedule has calculated into the amount shown at each cell federal withholding and FICA contributions of both parents. Therefore, unlike the Flat Percentage model, no calculation for net income is necessary. (Remember, however, there may be a deduction from gross income for self-employment taxes in applicable cases.)

The Schedule assumes that all families with children incur certain basic child-rearing expenses and includes an average amount to cover these basic expenses for various levels of the parents' combined income and number of children. Housing, food, and transportation comprise the bulk of these basic child-rearing expenses. Clothing, entertainment, and costs associated with a public school education are also included in the BCSO), but comprise a relatively small share of total expenditures. The amount spent on certain other expenses (such as the cost of the child's health care) varies among households and, in some households are not incurred at all (such as childcare), therefore these expenses are not included in the BCSO. The Schedule, and, therefore, the BCSO, does not include amounts for extraordinary educational expenses for private or special schooling or for other significant special expenses associated with the social, athletic or cultural development of the child. These are determined using the deviation requirements.

IV. Gross Income Calculations

A. Gross Income: Reference: 1240-2-4-.02(9) and 1240-2-4-.04(3)

When calculating child support obligations for children using the income shares model, the gross income of both parents will be used in the calculation. The definition of income is generally the same as in current law; what has changed is that Income Shares requires consideration of the income of both parents. **See: CS Worksheet, Line 1. (Attached)**

Excluded from gross income are: (1) child support payments received by either parent for the benefit of a child of another relationship; and (2) benefits received from means-tested public assistance programs set out in the Rules.

Example of calculating gross income:

PRP works making \$15.00 per hour and works 30 hr/wk

$$\text{\$ } 15 \quad \times 30 = \text{\$}450.00/\text{wk}$$

$$\text{\$}450/\text{wk} \times 52 \text{ wk/yr} = \text{\$}23,400.00 \text{ yr}$$

$$\text{\$}23,400 \div 12 \text{ months} = \text{\$}1950.00 \text{ monthly gross income}$$

ARP works making \$23.00 per hour and works 40 hr/wk

$$\text{\$ } 23 \times 40 = \text{\$}920.00 \text{ wk}$$

$$\text{\$}920.00/\text{wk} \times 52 \text{ wk/yr} = \text{\$}47,840 \text{ yr}$$

$$\text{\$}47,840.00 \div 12 \text{ months} = \text{\$}3986.67 \text{ monthly gross income}$$

B. Adjustments to Income: Reference: 1240-2-4-.03(6)(b)7; 1240-2-4-.04

1. Adjustments to Income.

Adjustments to income are similar to what is allowed by the current Rules. Each parent may deduct from gross income:

- (a) if self-employed, any amount of self-employment tax actually paid; Reference: 1240-2-4-.04(4) **See: CS Worksheet, Line 1a.**

- (b) the amount of current child support **actually paid** under pre-existing orders (but **not** payments on arrears); **Reference 1240-2-4-.04(5) See: CS Worksheet, Line 1b.**
- (c) credit for the parent's other children for whom the parent is legally responsible and actually supporting, where the children for whom the credit is being claimed are not included in a pre-existing order and who are not before the tribunal to set, modify or enforce support in the case immediately under consideration. **Reference: 1240-2-4-.04(6). See: CS Worksheet, Lines 1c – 1d.**

2. Credits for Other Children: Reference: 1240-2-4-.04(6)

All of a parent's other children who meet the qualifications (that is, the parent is legally responsible for the child and is actually supporting the child) are considered for credit to reduce the parent's gross income. Both parents are allowed to request credits for the support of other children to reduce gross income before a calculation of the Basic Child Support Obligation (BCSO).

A theoretical support order is a device used in the Rules to calculate the amount a child support obligation would be if a parent were ordered to pay support. If a parent wants to seek credit for an "other child" who is not being supported under a pre-existing order, and not being supported by the order in the case before the tribunal, the credit amount for that "other child" is determined by means of a theoretical order, also referred to as a "dummy" order.

The amount of the credit is calculated on the Credit Worksheet (**Rule 1240-2-4-.08(4)(c)(7)**). The only deduction used in calculating the theoretical order is for a deduction of taxes for self-employment. *No other deductions or adjustments are made to the gross income of the party claiming the credit for purposes of calculating the theoretical order.* **See: Credit Worksheet, Lines 1 – 2b.**

The parent seeking credit must submit proof of the legal relationship between the parent and the child, **and** proof of support. Proof of the legal relationship could include a tribunal order, a valid Voluntary Acknowledgment of Paternity, or a birth certificate showing the parent's name. Proof is not, however, limited to these documents.

If the child for whom the parent is claiming credit resides more than fifty percent (50%) of the time with that parent, proof of residence with the parent creates a presumption of support for the child, such as in the situation where a parent has re-married and has additional children by that marriage that are living with the parent. No separate proof of amounts paid

for the support of “other” children living with the parent is required. **See: Credit Worksheet, Lines 3 – 6. (Attached)**

Children in the home:

Parent proves legal responsibility and that child resides with parent more than 50% of the time, actual support is assumed.

Theoretical order = \$500.00 monthly

$\$500 \times .75 = \375.00 monthly

Credit is \$375.00 monthly

For other children residing less than fifty percent (50%) of the time with the parent claiming credit, the parent must provide evidence of financial support. (For example, cancelled checks payable to the PRP or copies of cancelled checks, clerk’s record of child support payments, DHS record of child support payments. Support paid on a subsequent order is included in this category.) **See: Credit Worksheet, Lines 7 – 11b.**

When proof of relationship and proof of support is supplied, the credit for other children (not under a pre-existing order) used to reduce gross income is 75% of a theoretical order *or* the actual support provided, **whichever is less.**

Children not in the home:

Parent claiming credit proves legal responsibility and actual financial support.

Example 1:

Theoretical order = \$500.00 monthly

$\$500 \times .75 = \375.00 monthly

Actual financial support = \$200.00 monthly

Credit is \$200.00 monthly because the actual support is less than the theoretical credit.

Example 2:

Theoretical order = \$300.00 monthly

$\$300 \times .75 = \225.00 monthly

Subsequent support order = \$100 monthly, NO ARREARS

Actual financial support = \$150.00 monthly

Credit is \$150.00 monthly because the actual support is less than the theoretical credit.

Keep in mind:

(a) *Each minor child of a parent is counted for either support or credit in one category only.* In other words, a child can only be one of the following:

1. the subject of the order before the court, or
2. the subject of a pre-existing order (parent must be actually supporting), or
3. the subject of a parent’s claim for credit for other children living in the parent’s home, or

4. for children not living in the parent's home (parent must be legally responsible for the child's support *and* actually supporting; and
5. for children who may be under a subsequent order (parent must be actually supporting),.

No parent may list any child in more than one place for support or credit in the same case. (NO DOUBLECOUNTING!!!)

- (b) The *pre-existing order credit* does not include a consideration of where the child lives; the seventy-five percent theoretical order calculation does not apply to pre-existing orders. The theoretical order requirements do, however, apply to children supported under subsequent orders.

Example of adjustment to income (PRP):

Primary Residential Parent (PRP) gross monthly income	\$ 1950.00
Subtract self-employment tax	- 0.00
Subtract pre-existing orders	- 0.00
Subtract credit for <u>children in the home</u> (1 child = \$412 x .75 = \$309.00)	- 309.00
Subtract credit for children not in the home	- 0.00
Subtotal (Adjusted Gross Income for PRP)	\$ 1641.00

Example of adjustment to income (ARP):

Alternate Residential Parent (ARP) gross monthly income	\$ 3986.67
Subtract self-employment tax	- 0.00
Subtract pre-existing orders	- 600.00
Subtract credit for <u>children in home</u> (2 children = \$1027 x .75 = \$770.25)	- 770.25
Subtract credit for children not in the home	- 0.00
Subtotal (Adjusted Gross Income for ARP)	\$2616.42

C. Other Income Considerations

1. Imputed Income: Reference: 1240-2-4-.04(3)(a)3

In an initial determination to set support, **income may be imputed** to individual parents who fail or refuse to produce reliable evidence of income where the tribunal has no other reliable evidence of income or income potential. Because the income of both parents is now relevant under Income Shares, *both parents are equally subject to having income imputed*. For this reason, and because the median annual gross income for males in Tennessee is \$9401 more than for females in Tennessee, the Department determined that gender-specific information was more appropriate than an average median income figure. For purposes of imputing income to individuals who fail to produce reliable evidence of income when setting or modifying an order, the new Guidelines provide a median annual gross income of \$35,851 for the Tennessee male population and a median annual gross income of \$26,450 for the Tennessee female population, each obtained from the American Community Survey of 2002. Two levels of imputed income are

provided because the income of two parents is now considered and the factual data is different for each gender.

2. Willfully and Voluntarily Unemployed or Underemployed: Reference: 1240-2-4-.04(3)(d)

When parents are living together, their choices are made jointly. Together they may decide one parent will take a lower paying job to take occupational training, or spend more time at home, or fulfill some other need, and the family reduces expenses, or the other parent increases income to meet the needs of the family. When parents are living separately, those choices are seldom made jointly. One parent's choice can have a devastating impact on the financial support available for the children. Many times the state will have to support the children through food stamps, Families First (TANF) benefits, or TennCare when one parent voluntarily reduces income.

Every parent is responsible for his/her deliberate choices, for example, to leave employment for a lower paying job or a part-time job, or to attend classes, or to engage in behavior that will cause the parent to lose employment. If the deliberate choice is not reasonable in light of the parent's existing obligation to support his/her children and does not benefit the children, the tribunal can assess the parent's ability to earn and set child support based on that assessment, rather than on the actual lower income that actually exists as a result of the parent's choices. The determination of the reasonableness of the occupational choice is not limited to those motivated by an intent to avoid or reduce the payment of child support, but can be based on any intentional choice or act that affects an obligor parent's income. Under these Rules, a parent who is incarcerated is deemed to have intentionally chosen behavior which results in the inability to adequately support that parent's children. On the other hand, the decision of a parent to attend additional classes which, within a reasonable period of time, will result in a significant increase in the ability to support and will benefit the children and would likely not be viewed as having become underemployed under that set of facts.

If the parent's choices result in reduced income and inability to support the parent's child in a reasonable manner given the parent's skills, education, and training, then the tribunal should calculate the parent's income based on evaluation of those factors and set support on the income the parent should be earning.

Tennessee also has a public policy to support the armed forces of the United States. Therefore, when an individual enlists, is drafted, or is activated from a Reserve or National Guard unit, for full-time service in the Armed Forces of the United States, that choice or requirement alone shall not render the individual subject to imputed income for voluntary unemployment or

underemployment if, as a result, the parent's income is reduced due to the choice of enlistment or because of the involuntary activation or conscription.

Because the income of the custodial parent becomes relevant under the Income Shares model, **an analysis to determine willful and voluntary unemployment or underemployment now also applies to the custodial parent**, including custodial parents receiving Families First Benefits. Some of these parents may actually be willfully and voluntarily unemployed or underemployed and, in such cases, should be subject to the establishment of income if the analysis warrants that. **However, it is the position of the Department that custodial parents should not be deemed willfully and voluntarily unemployed or underemployed based solely on the receipt of Families First Benefits.** As with every other parent, the tribunal should make a case-by-case determination. In so doing, the Rules provide for consideration of the parent's education and training as well as efforts to obtain additional education or training that may, ultimately, enhance the standard of living of the child. Parents on Families First should, generally, not be considered willfully and voluntarily unemployed or underemployed whose record in the program and work experience do not demonstrate recurring receipt of Families First benefits without good reason, and the parent is complying with a Personal Responsibility Plan.

V. Determining Each Parent's Percentage of Financial Responsibility

A. Adjusted Gross Income (AGI). Once a parent's gross income has been determined and all credits applied, the subtotal is called the Adjusted Gross Income (AGI). **See: CS Worksheet, Line 2.**

B. Percentage of Income (PI). The AGI is used to determine the parent's share of financial responsibility, called the parent's "Percentage of Income" (PI). Add together each individual parent's AGI to determine the combined adjusted gross income (AGI). Then, divide each individual parent's AGI by the combined AGI to obtain the Percentage of Income attributable to each parent as his/her share of the combined obligation and expenses for medical insurance and work-related childcare. **See: CS Worksheet, Line 3**

Example of each parent's percent of financial responsibility:

PRP's Adjusted Gross Income (see previous example)	\$1641.00
ARP's Adjusted Gross Income (see previous example)	<u>+ \$2617.00</u>
Combined Adjusted Gross Income (AGI)	\$4258.00
PRP's pro-rated share of total financial obligation	$\$1,641 \div \$4,258 = 39\% \text{ (PI)}$
ARP's pro-rated share of total financial obligation	$\$2,617 \div \$4,258 = 61\% \text{ (PI)}$

The result is a percentage which represents the parents' pro-rata portion of the financial responsibility for the child and becomes the basis for allocating the basic child support obligation (BCSO), the health insurance premium, child care, uninsured medical expenses (unless ordered otherwise by the court), and, if the court determines, also for allocation of extraordinary educational or special expenses. **Reference: 1240-2-4-.03 (f)1.(iii)**

VI. Determining Each Parent's Basic Child Support Obligation

To determine the Basic Child Support Obligation (BCSO) for each parent, use the parents' *combined adjusted* gross income together with the number of children to be supported in the case being considered. Look on the **CS Schedule in Rule 1240-2-4-.09**. In the left column, find the *combined adjusted* gross income, move across the line to the column for the number of children to be supported. The number in the box where the income and the number of children intersect is the amount of the ***combined basic child support obligation*** for both parents. Enter the BCSO on **Line 4 of the CS Worksheet**. The BCSO is then allocated between the parents according to each parent's PI and entered on the Worksheet in Line 3.

Example of determination of Basic Child Support Obligation:

PRP's Adjusted Gross Income (see previous example)	\$1,641.00
ARP's Adjusted Gross Income (see previous example)	+ \$2,617.00
Combined Adjusted Gross Income	\$4,528.00

Child Support Schedule shows for the Combined Adjusted Gross Income of \$4,528.00, the basic child support obligation for one child should be: **\$749.00**

Rounding Rule – Reference 1240-2-4-.04(7)(b) When the Combined Adjusted Gross Income falls between amounts shown in the Schedule, round up to the next amount of Combined Adjusted Gross Income.

The PRP's share of the BCSO in this example is \$749 x 39% or \$292.11

The ARP's share of the BCSO in this example is \$749 x 61% or \$456.89

VII. Parenting Time Adjustment

When an ARP spends more or less than standard amounts of parenting time with the child, a presumption is made that, at a certain level, the expenditures by the ARP for the child increase or decrease in proportion to the time spent. The Rule divides amounts of parenting time into blocks, and grants a percentage adjustment to the amount of the BCSO when the amount of parenting time actually occurring is within the number of days in the designated time block.

This sliding scale formula recognizes the shift in expenses at increasing and at decreasing amounts of parenting time. The downward adjustment for increased parenting time begins

at one hundred twenty-one (121) days per calendar year and ends at one hundred eighty-two (182) days. The upward adjustment for decreased parenting time begins at fifty-three (53) days and goes down to zero (0) days per calendar year. **Rule 1240-2-4-.03(6)(e).** This provision treats more than usual parenting time and less than usual parenting time in the same basic fashion – by adjusting support amounts. The amount of the adjustments are set out in chart form in the Rules at 1240-2-4-.03(6)(e). The presumption that additional parenting time results in more expenses to an ARP or that decreased parenting time results in higher costs to the PRP may be rebutted.

“Days” The amount of time a parent spends parenting a child is a factor to consider in the calculation of the amount of financial support that parent is obligated to provide. Under these Rules, time is counted by “days.” A “day” means a child spends the majority of a twenty-four (24) hour calendar day with or under the control of a parent and that the parent expends resources on the child during this period. Two hours per day with the child would not be a “day.” Keeping the child overnight, even if it were a majority of the calendar day, with no meaningful expenditures for the child’s care would not be a “day.” Enter each parent’s days in **Part I of the CS Worksheet** on the line with the child’s name and date of birth.

Absent rebuttal, the ARP’s portion of the child support obligation is reduced for the days of parenting time as follows:

121 – 136 days = 10% downward adjustment in support
137 – 151 days = 20% downward adjustment in support
152 – 166 days = 30% downward adjustment in support
167 – 181 days = 40% downward adjustment in support
182+ = 50% downward adjustment in support

See: CS Worksheet, Lines 7a and b

Absent rebuttal, the ARP’s portion of the child support obligation is increased for the lack of days of parenting time as follows:

53 – 39 days = 10% increase in support
38 – 24 days = 20% increase in support
23 – 9 days = 30% increase in support
8 – 0 days = 35% increase in support

See: CS Worksheet, Lines 8a and b

This section of the guidelines provides no adjustment for parenting time that falls between fifty-three (53) days and one hundred twenty-one (121) days. This, too, may be rebutted.

VIII. Adding Mandatory Expenses

A. Expenses in General.

There are certain expenses associated with the cost of rearing a child that are not included in the BCSO. The CS Schedule does not include the cost of the child’s health

insurance premium, work-related childcare costs, the children's uninsured medical costs, or extraordinary educational costs, because the actual cost of these expenses varies widely from household to household across the state. Health care and work-related child care are mandatory expenses that are calculated in determining the child support obligation. **Rule 1240-2-4-.03(6)(d).**

B. Treatment of Health Care and Work-Related Childcare Expenses. To include in the support obligation the mandatory expenses to be shared by the parents, an amount representing the actual cost to the parent for the *child's health insurance premium and work-related child care are added to the BCSO*. The Worksheet is set up so that both parents may include the expenses in each category they are expending to rear the child. The Rules anticipate that these expenses will be averaged over a one year period to determine a monthly amount, divided between the parents according to the individual parent's PI, and added to the BCSO, resulting in the Adjusted Support Obligation (ASO) at Line 13 of the Child Support Worksheet.

If the parent is paying the *child's* health insurance premium by payroll deduction or by direct payment prior to the tribunal action, the parent will get credit for that payment so that the insurance coverage provided by that premium is not interrupted. Both payroll deduction and direct payment are permitted because most health insurance plans will not accept less than full payment from the responsible parent, and the Department does not want the coverage to be interrupted if interruption is not absolutely necessary. If the parent is paying the childcare expenses by payroll deduction prior to the tribunal action, the parent will get credit for that payment. These credits are allowed so that the expense is not included in the child support order twice and to assure that the paying parent is ultimately paying only his/her portion of the expense. Direct payments for childcare are not deducted since the child support order will include the paying parent's portion of the expense in the support order and the receiving parent can pay childcare directly. **See: CS Worksheet, Lines 11a, b and c.**

C. Required Order Content Regarding Health Care. In addition, every order must designate financial responsibility for uninsured medical expenses for the children. The parents will divide these expenses according to each parent's PI, although the tribunal may assign this obligation in a different manner. **See: CS Worksheet, Line 18**

The child's uninsured medical expenses are not mandatory "add-ons" to the BCSO, but any such expense that is reasonably identifiable and recurring shall be added onto the presumptive child support order according to the PI of the parents, or as otherwise ordered by the tribunal. **Reference: 1240-2-4-.02(26).** Such expenses that are neither reasonably identifiable nor recurring shall be paid by the parents in the same proportion as the parents' **PI**, unless specifically ordered otherwise by the tribunal. A provision for payment of uninsured medical expenses shall be included in the child support order. The child's uninsured medical expenses include, but are not limited to, health insurance co-payments (including TennCare co-pays), deductibles, and such other costs as are reasonably necessary for orthodontia, dental treatment, asthma treatments, physical therapy, vision care, and any acute or chronic medical/health problem or mental health

illness, including counseling and other medical or mental health expenses, that are not covered by insurance.

The need to provide for medical care for the children is a basis for modification of the order, without reference to the significant variance rule. Reference 1240-2-4-.05(2)(a)

IX. Adjusted Support Obligation and Presumptive Support Order

The adjusted support obligation (ASO) is the basic child support obligation adjusted for parenting time, health insurance, and work-related child support. **Note: this amount does not include any recurring uninsured medical expenses or deviations.** See: CS Worksheet, Line 13. **Rule 1240-2-4-.02(2).**

The presumptive child support order (PCSO) on Line 16 of the Worksheet results from the mandatory calculations included on the Child Support Worksheet, i.e., the basic child support obligation adjusted, as appropriate, for additional parenting time, addition of the costs of a health insurance premium that covers the child, childcare and recurring uninsured medical expenses. **Rule 1240-2-4-.02(12) & (19)**

If the tribunal deviates from the amount of the PCSO to account for extraordinary or special expenses, or for any other reason provided for in the Guidelines, the resulting support obligation after application of the deviations becomes the Final Child Support Order. **If there are no deviations,** the PCSO is the Final Child Support Order.

X. Deviations

A. Criteria for Deviations. Deviations from the Guidelines may be appropriate for reasons where the tribunal finds it in the best interest of the child. **Reference 1240-2-4-.07(1).** In such cases the tribunal shall consider all of the income available to the parents and make a finding that child support more or less than the amount calculated by the Guidelines is, or is not, reasonably necessary for the support of the child in the case under consideration. Deviations must include written reasons for the deviation, the amount that would have been otherwise awarded, and a written finding from the tribunal of how application of the Guidelines would be unjust or inappropriate in the particular case and how the best interest of the children is served by the deviation. **Reference: 1240-2-4-.07(1)(b).** See: CS Worksheet, Line 19

B. Reasons for Deviations. The tribunal may consider a deviation from the presumptive child support order, other than for other bases discussed previously in the Guidelines, for the following reasons:

1. Extraordinary Educational Expenses: Where the parents incur extraordinary educational expenses such as reasonable and necessary expenses associated with special needs education or private elementary and secondary schooling that are appropriate to the parents' financial abilities and to the lifestyle of the child if the parents and child were

living together, this may be considered as a deviation. If a deviation is allowed, a monthly average of these expenditures shall be based on evidence of prior and/or anticipated expenses and added to the PCSO. **Reference 1240-2-4-.07(2)(d)1**

Example of Extraordinary Educational Expense:

The parents of one child have a combined adjusted gross income of seventeen thousand five hundred ten dollars (\$17,510) monthly. The PRP's PI is 20% (\$3510 monthly) and the ARP's PI is 80% (\$14,000 monthly). The BCSO is one thousand five hundred sixty-one dollars (\$1561) monthly; the child's health insurance premium is three hundred dollars (\$300) monthly; there is no work-related childcare. The ASO is one thousand four hundred eighty-eight dollars (\$1,488.00).

The child has been in private school for all grades, and is now entering the tenth (10TH) grade. Private school tuition, books, and fees cost one thousand two hundred fifty dollars (\$1250) averaged as a monthly cost on a twelve (12) month basis. The tribunal grants the deviation for this extraordinary educational expense, requiring the ARP to pay 100% of the expense.

PCSO	= \$1488.00	Private Education	= \$1250.00
Total obligation:	= \$2738.00		

2. **Special Expenses:** Special expenses may include, but are not limited to, summer camp, music or art lessons, travel, school-sponsored extra-curricular activities, such as band, clubs, and athletics, and other activities intended to enhance the athletic, social or cultural development of a child, but do not otherwise qualify as mandated expenses like health insurance premium and work-related childcare costs. A portion of the basic child support obligation is intended to cover average amounts of these special expenses incurred in the rearing of a child. Where special expenses **exceed seven percent (7%) of the monthly basic child support obligation**, then the tribunal shall consider additional amounts as a deviation. **Reference 1240-2-4-.07(2)(d)2**

Example of Special Expenses:

The BCSO for one child is \$1085. The child enjoys singing and has sung with her school choir since elementary school. She has tried out for her high school "Show Choir" and has been accepted. This group travels in-state to various competitions, and stages 2 performances per school year. The cost is averaged over the school year to \$175 per month. PRP requests a deviation for special expenses.

BCSO: $\$1085 \times 7\% (0.07) = \75.95 minimum amount needed to consider special expenses.

Actual expense: $\$175 / \$1085 = 16\%$ of BCSO

The special expense may be added to the PCSO as a deviation.

3. **Child in Legal Custody of Another Entity:** A deviation may be permitted, in cases where the child is in the legal custody of the Department of Children Services, the child protection or foster care

agency of another state or territory or any other child-caring entity, public or private, where the permanency plan or foster care plan for the child has a goal of returning the child to the parent(s) and a valid reason exists for deviation from the presumptive support amount for this reason. **Reference 1240-2-4-.07(2)(b)**

4. **Time-Related Travel Expenses:** Where parenting time-related travel expenses are substantial due to the distance between the parents, the tribunal may consider a deviation. **Reference 1240-2-4-.07(2)(c)**
5. **Extreme Economic Hardship:** Extreme economic hardship, such as in cases involving extraordinary medical needs not covered by insurance or other extraordinary special needs for the child of a parent's current family may be a reason for deviation. **Reference 1240-2-4-.07(2)(e)**
Note: this is the same as in the Flat Percentage guidelines.
6. **Low-Income Persons:** A parent is considered to be a low income person if his/her annual adjusted gross income is at or below the federal poverty level for a single person as established in 1240-2-4-.05 (b) (Currently \$9,310.00 and a deviation may be permitted, but there is a minimum basic support obligation of \$100 per month if the parent has non-exempt gross income of \$100 per month. **Reference 1240-2-4-.07(2)(f)**

Example for low income deviation:

PRP has AGI of \$2500. ARP has AGI of \$750 per month (\$9,000/year). The BCSO for one child is \$632. ARP's PI is 23%. ARP is employed to his full capability. PRP pays \$100 month for the child's health insurance coverage and \$150 month for after school by the care. ARP's PCSO is \$203 monthly, which the ARP claims is burdensome due to ARP's low income. Following a hearing on the issue, the tribunal agrees and grants a 5% deviation. The final child support amount is reduced to \$193.00.

7. **Statutory Threshold for Child Support Obligations for High-Income Parents.** T.C.A. § 36-5-101(e)(1)(B). **Reference 1240-2-4-.07(2)(g)**

T.C.A. § 36-5-101(e)(1)(B) applies to Income Shares guidelines. In the event the PCSO exceeds the statutory child support threshold as established by the statute, the PRP has the burden of proving by a preponderance of the evidence that more support is reasonably necessary to provide for the needs of the child. If the PRP satisfies this burden, additional amounts can be added to the PCSO as a deviation. For this purpose, the threshold support amounts are:

One child = two thousand one hundred dollars (\$2100);
Two children = three thousand two hundred dollars (\$3200);
Three children = four thousand one hundred dollars (\$4100);

Four children = four thousand six hundred dollars (\$4600); and
Five or more children = five thousand dollars (\$5000).

If the burden of proof is not met, the final child support order will be the same as the threshold amount, absent deviation for another reason or consideration of routinely occurring medical expenses.

Example for High Income Child Support Order Limit:

PRP has AGI of \$3500 monthly; ARP has AGI of \$30,000 monthly; there is one child to be supported. ARP pays \$250 per month for the child's insurance. PRP pays \$1,500 per month for work-related childcare. Using the CS Worksheet, the ARP's pro-rata share of the ASO after all adjustments is \$3654.68 monthly (Line 15 on the CS Worksheet). Using the chart above, the PCSO on Line 16 is compared to Line 15, and the support obligation is limited to \$2100 due to application of the statutory limit. Unless the PRP rebuts the presumption, child support is set at \$2100.00 monthly.

PRP's AGI = \$3,500.00 monthly

ARP's AGI = \$30,000.00 monthly

Combined AGI = \$33,500.00 monthly

PRP's PI = 10%

ARP's PI = 90%

BCSO = \$2588.53 [\$2231 BCSO for one child +(6.81% of 5250 [% of AGI over \$28,250]) = \$357.53 + \$2231= \$2588.53]

PRP pays childcare of \$1500.00 monthly; ARP pays insurance of \$250.00 monthly

PRP's Adjusted Support Obligation: \$258.85+[10% of \$1,500 = \$150] +[10% of \$250 = \$25] = \$433.85

ARP's Adjusted Support Obligation: \$2,329.68+[90% of \$1,500 = \$1,350]+[90% of \$250 = \$175] = \$3,904.68

Deductions for PRP = \$433.85 - \$1,500 = \$0.00

Deductions for ARP = \$3,904.68 - \$250.00 = \$3,654.68

Statutory Limit = \$2100 monthly for one child. In this example the final support order is limited to \$2100 monthly, unless the PRP rebuts the presumption by a preponderance of the evidence that the child reasonably needs additional support.

8. Where the Change in Support from the Flat Percentage of Income model to the Income Shares model Creates a Hardship for Either Parent. Reference 1240-2-4-.07(2)(h)

To reduce the effect of any such hardship (substantial increases or decreases in the current support amount) created by modifications to orders resulting from the change from the Flat Percentage of Income model of guidelines to the Income Shares model of guidelines, the Department has implemented a Hardship Rule. For the first modification under Tennessee Income Shares of an order previously entered under the Flat Percentage of Income model, the Rules provide for deviation by the court from the amount of support calculated under Income Shares in the discretion of the tribunal if the

modification will result in a hardship for the ARP due to a substantial increase in the order or to PRP and the children due to a substantial decrease in the ordered amount. This deviation is not permitted if it would seriously impair the ability of the custodial parent to maintain minimally adequate housing, food, and clothing for the children being supported by the order and/or to provide other basic necessities, as determined by the court. If the deviation is permitted, it cannot be utilized in a later action to create a significant variance. **Reference: 1240-2-4-.07(h)**

Example for Hardship:

The parties have one child (age 14) together. Neither parent has other children. The ARP is currently paying \$2,098.00 per month under the Flat Percentage of Income model, on gross income of \$14,100 which is a net income of \$9,988 per month. The ARP is paying \$200 per month for health insurance for the child.

A Petition to Modify Support is filed by the ARP on February 1, 2005 because the ARP's gross income is now reduced to \$12,000 per month, and evidence has been offered to this effect. This is the first modification under the Income Shares model for an order that had been previously established under the Flat Percentage model. The ARP's current gross income of \$12,000 per month is a change in gross income of \$2,100 (\$14,100 - \$12,000) = \$2,100, or a 15% decrease in gross income from the time the previous order was set. Therefore, the order is eligible to be considered for modification pursuant to #1 on page 5 above. The PRP's current gross is \$3,500 per month. The combined Adjusted Gross Income (AGI) is, therefore, \$15,500 (\$12,000 + \$3,500). Pursuant to the CS Schedule the combined obligation of both parents at a combined AGI of \$15,500 is \$1,467 for one child.

The PRP's PI is 23% (\$3,500/\$15,500), and the PRP's share of the Basic Child Support Obligation is \$1,467 x 23% = \$337.00 per month.

The ARP's PI is 77% (\$12,000/\$15,500), and the ARP's share of the Basic Child Support Obligation is \$1,467 x 77% = \$1,130 per month.

The ARP spends 90 days per calendar year with the child so there is no parenting adjustment in this case because the ARP is not spending 121 or more days with the child.

There are also no prior deviations.

Current obligation	\$2,098.00
Multiplied by 15%	$\times .15$
	\$ 314.70 minimum difference in the existing and the proposed orders required to permit modification

ARP's share of the proposed order is calculated under Income Shares as follows: \$1,130 (BSCO) + 77% of the cost of the medical premium for the child, or \$154.00 per month = \$1,284. The ARP gets credit for the payment of the medical insurance that the ARP pays

in full for the child, reducing the ARP's total ordered support amount to \$1,084 (\$1,284 - \$200.)

The difference between the proposed order and the current order = a **DECREASE** of \$1,014 (\$2,098 - \$1,084 = \$1,014] or a 48% decrease from the prior order entered under the Flat Percentage model. This difference of \$1,014 justifies a modification since that amount is greater than a 15% difference in the amount of the existing order (\$2,098) and the proposed order (\$1,084) and only \$314.70 is needed to obtain the modification.

The tribunal finds, however, that a 48% **reduction** in the obligation would be a **hardship** to the PRP, and for this reason the court decides to deviate from the presumptive guideline amount under the new Income Shares (\$1,084), and instead grants a downward modification of the prior order in the amount of \$209.80 (10%) which reduces the order to \$1,888 (instead of \$1,084). The court, therefore, has deviated **upward** by \$874 (\$1,888 [what was actually ordered] minus \$1,014 [\$2,098 - \$1,084] which is the full reduction that would have been given but for the deviation].) This hardship deviation can be granted at any time after the rules become effective for orders that had been previously established under the Flat Percentage model, **but only once, on the first modification from the Flat Percentage of income model to the Income Shares model.**

For the next modification petition, the amount of the **upward** deviation \$874 (\$1,888 - \$1,014) granted by the court in this case is **not** included in calculating the amount of the variance between the existing and the proposed orders in the next modification request. The next variance would, instead, be calculated based upon ***\$1,014 (for either party) because the amount of the variance in a subsequent modification request is determined without consideration of the amount of the difference in the existing and the proposed order caused only by the \$874 deviation made under the existing order.***

Otherwise, a subsequent downward modification, without any other changes in the adjusted gross income, could be requested and granted simply because the difference in the amount of the order (\$1,888) established under Income Shares and the proposed order of, for example, \$1,084, under Income Shares based on the same gross income of the ARP of \$12,000, amounts to a 43% decrease. This 43% decrease in the amount of the proposed order, in this case, results only because the court previously deviated upward by \$874. This upward deviation under the previous modification caused the order to only be reduced to \$1,888 instead of \$1,084, which was the presumptive amount the Guidelines would have established using the new Income Shares Guidelines.

Including the amount of the deviation (\$874) in calculating a subsequent modification request would permit modification without any other change of circumstances such as increased or decreased incomes of the parties, or without other changes in circumstances (such as credits for additional children) that would be sufficient to affect the adjusted gross income of the parties enough to cause the "significant variance" of 15% necessary to permit the increase or decrease in the amount of the order.

The hardship rule is not limited to any time period. When warranted, it applies to the **first modification** applying the Tennessee Incomes Shares model to an order that was entered under the Flat Percentage of Income model, whether that occurs in 2005 or 2010. However, the hardship deviation may only be applied in a case **ONE TIME**. After an order has been entered under Tennessee's Income Shares model, the hardship provision can no longer be applied to that case.

XI. Modifications

In any action to modify child support, an existing child support order can be considered for modification only if there is a significant variance unless modifying the order to provide for the child's health care needs or to remove a deviation after the reason for the deviation has ceased to exist. A significant variance is defined as:

- (i) at least a fifteen percent (15%) change in the gross income of the ARP; and/or
- (ii) a change in the number of children for whom the ARP is legally responsible and actually supporting; and/or
- (iii) a child supported by the order to be reviewed becoming disabled; and/or
- (iv) the parties voluntarily agreeing to modify support in compliance with the Guidelines and submitting the completed worksheets with the agreed order; **AND**
- (v) a 15% change in the amount of the current support order as compared to the proposed support order; OR
- (vi) a 7.5% change in the amount of the current support order as compared to the proposed support order for low income providers. **Reference: Rule 1240-2-4-.05(4). See: CS Worksheet, Lines 17a, b and c**

Due to the possibility of change in support orders caused solely by the change from a Flat Percentage of Income model to an Income Shares model rather than from a change in a parent and/or child's living situation, the Department modified the definition of significant variance to help assure that changes in support orders are initially based on factual changes during the time period that parents, attorneys and tribunals are learning to apply the new Rules, and in as an attempt to reduce the volume of modifications sought during this period.

Beginning January 1, 2006, the significant variance rule is defined as:

- (i) a 15% change in the amount of the current support order as compared to the proposed support order; OR
- (ii) a 7.5% change in the amount of the current support order as compared to the proposed support order for low income providers. [Where the parent's adjusted gross income is at or below the federal poverty level, (currently \$9,130 per year gross income)] **Reference: Rule 1240-2-4-.05(4).**

The modification may be requested due to a change in income for either parent that causes a proposed order to meet the significant variance requirements. The birth or final

adoption of a child shall constitute a substantial and material change of circumstances that will enable the tribunal to review the existing order. This review will determine if the addition of a child would result in a significant variance from the current ordered amount of support.

No variance is required to modify the order to meet health care needs of a child in an order.

To determine if a modification is possible, the worksheets should be completed as for any other order. In determining whether a significant variance exists between the guideline amount and the current support order, available credits for pre-existing orders and other qualified dependent children, parenting time adjustments, and mandatory expenses are considered. **Deviations are not considered in calculating the significant variance in a modification determination.** See Hardship Rule above for discussion of this concept. To calculate the required significant variance, a Credit Worksheet and a Child Support Worksheet must be completed from the gross income through the adjusted support obligation to determine the proposed presumptive child support order and the significant variance is calculated using Lines 17a—17c of the Child Support Worksheet.

Example for variance:

The parent is currently paying \$749.00 per month for the support of one (1) child, the amount of proposed modification would have to be fifteen percent (15%) of \$749.00.

Current obligation	\$749.00	
Multiplied by 15%	<u>x .15</u>	
	\$112.35 required change (up or down)	
\$749.00		\$749.00
<u>-112.35</u>		<u>+112.35</u>
\$636.65 Proposed amount to permit decrease		\$861.35 Proposed amount to permit increase

XII. Retroactive Support

A. Presumption of Retroactive Support to Birth, Separation or Abandonment Absent Deviation Criteria.

- 1. Presumption Absent Deviation Criteria.** Unless the rebuttal provisions of T.C.A. §36-2-311(a)(11) or T.C.A §36-5-101(e) regarding paternity are established by clear and convincing evidence, then in cases where initial support is being set, a judgment must be entered to include monthly support for the child for all periods up to the date of the order from the

date of the child's birth, the date of separation or abandonment of the child and remaining spouse of the parties in a divorce or annulment.

2. **Deviations/Written Findings to Support Deviations.** Deviations as described in the statutory criteria must include written justification for the deviation, the amount that would have been otherwise awarded, and a written finding from the tribunal of how application of the Guidelines would be unjust or inappropriate in the particular case and how the best interest of the children is served by the deviation. **See: CS Worksheet, Line 19**
3. **Calculation of Retroactive Support Order.** The retroactive support amount shall be calculated based upon the Guidelines in effect at the time of the order, using the average income of the obligor over the past two (2) years, unless the tribunal finds there is adequate evidence to support a longer period for use in the calculation and makes a finding in its order. **Reference: 1240-2-4**

XIII. Worksheets

State of Tennessee – Child Support Worksheet

Part I. Identification

Indicate the status of each parent or Caretaker by placing an "X" in the Appropriate column

Name of Mother: _____
 Name of Father: _____
 Name of non-parent Caretaker: _____
 TCSES case #: _____
 Docket #: _____
 Court name: _____

PRP ARP SPLIT

Name(s) of Child(ren)	Date of Birth	Days with Mother	Days with Father	Days with Caretaker

Part II. Basic Support Obligation

Use Credit Worksheet to calculate line items 1b – 1d

- ✓ For clarity and consistency, use Column A for PRP information and Column B for ARP information
- ✓ For Split Parenting, use Column A for Mother's information and Column B for Father's information

- 1 Monthly Gross Income
 - 1a Self-employment tax paid
 - 1b Credit for pre-existing support orders
 - 1c Credit for in-home children
 - 1d Credit for not-in-home children
- 2 Adjusted Gross Income (AGI)
- 3 Percentage Share of Income (PI)
- 4 Basic Child Support Obligation (BCSO)

Column A	Column B	Column C
\$	\$	
-	-	
-	-	
-	-	
-	-	
\$	\$	\$
%	%	100 %
		\$

Part III. Parents' Share of Support Obligation

Standard Parenting

- 5 Each parent's share of the BCSO

\$	\$	
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Split Parenting

- 6a Mother's obligation for children for whom father is the PRP
- 6b Father's obligation for children for whom mother is the PRP

\$		
	\$	

Part IV. Parenting Time Adjustment

- 7a Number of days per calendar year with children supported by this order with whom the ARP spends 121 or more days per calendar year
- 7b Parenting time adjustment percentage
- 8a Number of days per calendar year with children supported by this order with whom the ARP spends 53 or fewer days per calendar year
- 8b Parenting time adjustment percentage
- 9 Adjustment in ARP's support obligation for parenting time
- 10 Each parent's share of the adjusted BCSO

%	%	
%	%	
\$	\$	
\$	\$	

State of Tennessee – Child Support Worksheet

Part V. Additional Expenses

	Column A	Column B	Column C
11a Children's portion of health insurance premium	\$	\$	
11b Work-related childcare	\$	\$	
11c Total additional expenses	\$	\$	\$
12 Each parent's share of additional expenses	\$	\$	
13 Adjusted Support Obligation (ASO)	\$	\$	
14 Enter amount of payroll deduction from lines 11a and/or 11b or direct payments from line 11a.	-	-	
15 Subtract line 14 from line 13. Enter remainder.	\$	\$	

Part VI. Presumptive Child Support Order / Modification of Current Support

		Obligation Column
16	Presumptive Child Support Order (PCSO) The ARP's amount from Line 15* * For split parenting, enter the difference between the greater and smaller numbers from Line 15.	\$
Modification of Current Child Support Order	17a Current child support order amount for the payor parent	\$
	17b Amount required for significant variance to exist	\$
	17c Actual variance between current and presumptive child support orders	\$

Part VII. Uninsured Medical Expenses, Deviations, Final Child Support Order

18	Uninsured Medical Expenses (Recurring):	\$
19	Deviations (Specify):	\$
Deviations must be Substantiated by written findings in the Child Support Order		
20	Final Child Support Order	\$

Comments, Calculations, or Rebuttals to Schedule

Place an "X" in the Appropriate blank

Has the tribunal identified a parent as a low-income provider? Yes _____ No _____

Preparer's Use Only

Name: _____ Date: _____

Title: _____

IV-D Use Only

21a Child Support Obligation \$ _____

21b Medical Support Obligation \$ _____

State of Tennessee – Credit Worksheet

Part I. Identification

		PRP	ARP	SPLIT
Indicate the status of each parent or Caretaker by placing an "X" in the Appropriate column	Name of Mother:			
	Name of Father:			
	Name of non-parent Caretaker:			
	TCSSES case #:			
	Docket #:			
	Court name:			

Part II. Other Children

		Column A	Column B	
Parent Income Information	1 Monthly gross income of parent claiming credit	\$	\$	
	2a Self-employment tax paid	\$	\$	
	2b Applicable gross income for credit worksheet	\$	\$	
In-Home Children	3 Below, list qualified children living in the parent's home (if none, skip to line 7):			
	Name(s) of Child(ren) for PRP	Date of Birth	Name(s) of Child(ren) for ARP	Date of Birth
	4 Number of qualified children living in the parent's home	#	#	
	5 Theoretical child support order (this parent's income on CS Schedule for number of children from line 4)	\$	\$	
	6 75% of theoretical child support order from line 5	\$	\$	
	Not-In-Home Children	7 Below, list qualified children not living in the parent's home (if none, skip to Part III):		
		Name(s) of Child(ren) for PRP	Date of Birth	Name(s) of Child(ren) for ARP
8 Number of qualified children not living in the parent's home		#	#	
9 Average documented monetary support over last 12 months		\$	\$	
10 Theoretical child support order (this parent's income on CS Schedule for number of children from line 8)		\$	\$	
11a 75% of theoretical child support order from line 10		\$	\$	
11b Allowable credit for not-in-home children		\$	\$	

Part III. Pre-Existing Support Orders

		Column A	Column B
This section is not part of the calculation for Part II above	✓ List court name, docket number, TCSSES number, monthly obligation, name and date of birth for each child supported under the order. Do not include arrears payments.		
	1	\$	\$
	2	\$	\$
	3	\$	\$
	4	\$	\$
Total		\$	\$